

To the Members of the California State Assembly:

Assembly Bill X8 7 makes short term changes to the Beverage Container Recycling Program (Program) to help alleviate a portion of the financial burden faced by program participants during the 2009/10 Fiscal Year.

In January, I proposed a reasonable and progressive solution that addressed both the short-term fiscal concerns of the Beverage Container Recycling Fund (Fund) and made programmatic changes to ensure the long Fund's long-term fiscal sustainability. Unfortunately, this bill does not make the necessary long-term changes to the Program that I recommended and, therefore, the Fund remains vulnerable to further program reductions beginning in the 2010-11 Fiscal Year.

In addition to technical flaws in this bill that need to be addressed, structural changes to the Program are essential before the next fiscal year begins in order to ensure that program participants do not see another loss in funding. I urge the Legislature to work with my Administration expeditiously to enact the long-term solutions I proposed in January.

Sincerely,

Arnold Schwarzenegger